

Amendment No. 2 to HB2664

Sargent
Signature of Sponsor

AMEND Senate Bill No. 2622

House Bill No. 2664*

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 7-53-101, is amended by inserting the following language as a new, appropriately designated subdivision:

() "Retail business" means a retail establishment providing general retail sales or services to consumers;

SECTION 2. Tennessee Code Annotated, Section 7-53-305, is amended by adding the following new subsections:

(i)

(1) An industrial development corporation may negotiate a payment in lieu of tax agreement for less than the ad valorem taxes otherwise due for a retail business for a period longer than ten (10) years, plus a reasonable construction or installation period not to exceed three (3) years, if:

(A) The corporation is a joint industrial development corporation with representation of all affected taxing jurisdictions within the county;

(B) The corporation has entered into an interlocal agreement with other taxing jurisdictions to establish criteria for any payment in lieu of tax agreements that might affect shared tax bases;

(C) The corporation has received written approval from each affected local governmental entity. As used in this subdivision (i)(1)(C), "affected local governmental entity" means a county or local special school district which will suffer an actual loss of tax revenue under a payment in lieu of tax agreement; or

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(D) The corporation pays the other affected local governments the amount of ad valorem taxes those governments would otherwise receive for the affected property based on its assessed value after the initial ten (10) years of the agreement.

(2) The requirements under this subsection (i) shall not apply to payment in lieu of tax agreements affecting only the municipality that created the corporation and the beneficiary making the agreement.

(3) This subsection (i) does not apply in any county having a population of not less than nine hundred thousand (900,000), according to the 2010 or any subsequent federal census.

(j) Before an industrial development corporation approves a payment in lieu of tax agreement, the corporation shall hold a public meeting relating to the proposed agreement after notice is provided by the corporation or governing body, as may be required by law, at least five (5) days prior to the date of such public meeting. Such notice must include the time, place, and purpose of the public meeting.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.